

JAN 18 2013

A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The legislature finds that mediation is an informal, inexpensive, and confidential process for resolving disputes quickly. Mediation may be particularly advantageous in a condominium setting because of the potential to preserve or to restore harmony within a condominium community.

The legislature further finds that fees paid into the condominium education trust fund come entirely from condominium owners. Dedicating a portion of the fund to support the mediation of condominium related disputes will benefit condominium owners and associations.

The purpose of this Act is to specify that a percentage of fees paid into the condominium education trust fund shall be used to support mediation of condominium related disputes.

SECTION 2. Section 514B-71, Hawaii Revised Statutes, is amended to read as follows:

"[+]§514B-71[+] **Condominium education trust fund.** (a)
The commission shall establish a condominium education trust



1 fund that the commission may use for educational purposes~~[-]~~ and
2 shall use to support mediation of condominium related disputes.

3 (1) Educational purposes shall include financing or
4 promoting:

5 ~~[(1)]~~ (A) Education and research in the field of
6 condominium management, condominium project
7 registration, and real estate, for the benefit of
8 the public and those required to be registered
9 under this chapter;

10 ~~[(2)]~~ (B) The improvement and more efficient administration
11 of associations; and

12 ~~[(3)]~~ (C) Expeditious and inexpensive procedures for
13 resolving association disputes.

14 (2) Support for mediation of condominium related disputes
15 shall include dedicating an amount equal to the sum of
16 \$1 times the number of registered condominium units in
17 Hawaii per year to the payment of community-based and
18 professional mediation services for the benefit of
19 consumers and associations.

20 (b) The commission ~~[may]~~ shall use any and all moneys in
21 the condominium education trust fund for purposes consistent
22 with subsection (a)."



SECTION 3. Section 514B-72, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Each project or association with more than five units, including any project or association with more than five units subject to chapter 514A, shall pay to the department of commerce and consumer affairs a condominium education trust fund fee within one year after the recordation of the purchase of the first unit or within thirty days of the association's first meeting, and thereafter, on or before June 30 of every odd-numbered year, as prescribed by rules adopted pursuant to chapter 91. The fee shall include a sufficient amount to support the mediation of condominium related disputes, pursuant to section 514B-71(a)."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

INTRODUCED BY:

Malcolm
pre chair
Clarence K. Nishikawa
Will Lyne

Ronald H. Park
Arin Y. Lee
Don A.C. Kuhl



Report Title:

Condominiums; Condominium Education Trust Fund

Description:

Specifies that a percentage of fees paid into the condominium education trust fund shall be used to support mediation of condominium related disputes.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

